

STATE BOARD OF ACCOUNTS
302 West Washington Street
Room E418
INDIANAPOLIS, INDIANA 46204-2765

EXAMINATION REPORT
OF

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 241 AND 279
INDIANAPOLIS, INDIANA

January 1, 2004 to December 31, 2004



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Chairman, Bureau of Motor Vehicles Commission	Gerald Coleman Mary DePrez Joel Silverman	01-06-02 to 02-29-04 03-01-04 to 01-09-05 01-10-05 to 01-11-09
Branch Manager	Michael Kalsek	01-01-04 to 12-31-05



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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE STATE BUREAU OF MOTOR VEHICLES COMMISSION

We have examined the Schedule of Collections and Distributions of the State Bureau of Motor Vehicles Commission License Branch Numbers 241 and 279 (Branches) for the period of January 1, 2004 to December 31, 2004. The Branch's management is responsible for the schedule. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the Schedule of Collections and Distributions and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the schedule referred to above presents fairly, in all material respects, the cash transactions of the Branches for the year ended December 31, 2004, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

STATE BOARD OF ACCOUNTS

November 8, 2005

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBERS 241 AND 279
 INDIANAPOLIS, INDIANA
 SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS
 January 1, 2004 to December 31, 2004

	Branch Number 241	Branch Number 279	Totals (Memorandum Only)
Collections:			
Registrations	\$ 8,325,337	\$ 412,690	\$ 8,738,027
Titles	1,814,539	-	1,814,539
Drivers licenses	542,416	-	542,416
Watercraft	576,045	-	576,045
Miscellaneous	<u>2,031</u>	<u>-</u>	<u>2,031</u>
Totals	<u>\$ 11,260,368</u>	<u>\$ 412,690</u>	<u>\$ 11,673,058</u>
Distributions:			
State fees	\$ 3,793,104	\$ 72,991	\$ 3,866,095
County tax	6,323,620	307,990	6,631,610
Commission fees	<u>1,143,644</u>	<u>31,709</u>	<u>1,175,353</u>
Totals	<u>\$ 11,260,368</u>	<u>\$ 412,690</u>	<u>\$ 11,673,058</u>

The accompanying notes are an integral part of the schedule.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 241 AND 279
INDIANAPOLIS, INDIANA
NOTES TO SCHEDULE OF COLLECTIONS AND DISTRIBUTIONS

Note 1. Introduction

The Motor Vehicles Commission was created to manage the motor vehicle license branches. The Bureau of Motor Vehicles is a separate state agency which provides support services to the Commission controlled license branches. The license branches collect fees which fund the Motor Vehicles Commission. The license branches collect and forward county taxes (excise tax, wheel tax, and surtax) and state fees. The Commission has one contractual branch that is administered by an individual contractor according to Bureau policies. The Commission has developed a mobile license branch to serve the need of CDL license issuance and other special needs as they arise.

Note 2. Collections and Distributions

Each branch collects fees and taxes when vehicle and watercraft registrations, titles, and drivers licenses are sold. Fees are uniform throughout the state.

The total daily collections are deposited to a single bank account. From this account the collections are distributed to separate bank accounts which are not controlled by the license branch and belong to the state, county and Bureau of Motor Vehicles Commission.

Note 3. Banking System

The Bureau of Motor Vehicles Commission has entered into an agreement with Bank One for a cash concentration system. The system utilizes a series of individual noninterest bearing accounts (clearing accounts) from which all fees and taxes are transferred.

Note 4. Self-Service Terminal

This report contains financial and statistical information for Indianapolis License Branch Number 241 and License Branch Number 279, a self-service terminal (SST). The manager of Indianapolis License Branch Number 241 is responsible for maintaining the SST.

STATE BUREAU OF MOTOR VEHICLES COMMISSION
 LICENSE BRANCH NUMBERS 241 AND 279
 INDIANAPOLIS, INDIANA
 STATISTICAL INFORMATION
 January 1, 2004 to December 31, 2004

<u>Transactions Processed</u>	<u>Branch Number 241</u>	<u>Branch Number 279</u>	<u>Totals (Memorandum Only)</u>
Vehicle registrations:			
Passenger	43,168	2,674	45,842
Motorcycle	2,040	84	2,124
RV (housecar)	619	18	637
Light truck	15,820	786	16,606
Other truck	654	3	657
Farm truck	43	-	43
Tractor	44	-	44
Trailer	4,339	130	4,469
Semitrailer	144	-	144
School and church bus	39	-	39
Other bus	9	-	9
Other	13	-	13
Total vehicle registrations	<u>66,932</u>	<u>3,695</u>	<u>70,627</u>
Drivers licenses and permits:			
Drivers licenses/learners permits	21,102	-	21,102
CDL licenses/CDL permits	3,038	-	3,038
Placards	2,642	-	2,642
Other	14,689	-	14,689
Total drivers licenses and permits	<u>41,471</u>	<u>-</u>	<u>41,471</u>
Titles:			
Vehicles	33,729	-	33,729
Watercraft	515	-	515
Total titles	<u>34,244</u>	<u>-</u>	<u>34,244</u>
Total watercraft registrations	<u>7,976</u>	<u>-</u>	<u>7,976</u>

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 241 AND 279
INDIANAPOLIS, INDIANA
EXAMINATION RESULT AND COMMENT

DOCUMENT RETENTION

Four sealed boxes of Hold for Audit records for 2002 could not be located in the Branch storage area. The Branch received an inter-department memo, dated December 10, 2004, listing items that could be destroyed. An employee misread the memo and included the 2002 Hold for Audit boxes for destruction.

Documents should be retained in accordance with the retention schedule approved by the Oversight Commission on Public Records. Also, documents must be attainable, upon request, during an audit. (Accounting and Uniform Compliance Guidelines Manual for State Agencies, Pages 1:5 and 1:6)

STATE BUREAU OF MOTOR VEHICLES COMMISSION
LICENSE BRANCH NUMBERS 241 AND 279
INDIANAPOLIS, INDIANA
EXIT CONFERENCE

The contents of this report were discussed on November 9, 2005, with Michael Kalsek, Branch Manager.